

REMARKS

The Final Office Action mailed January 13, 2010 has been received and carefully considered. Claims 1-70 are pending in the application. Claims 1-69 stand rejected. No new matter has been added. Claims have been cancelled as indicated above. Entry of the amendments to the claims and reconsideration of the outstanding rejections in the present application are requested based on the following remarks.¹

In this response, new claim 70 has been added. Applicant respectfully submits that, although differing in scope from the other independent claims, claim 70 incorporates similar elements to those claims and is allowable over the cited art for at least the reasons given below.

Examiner Interview

Applicant wishes to thank Examiner Dagnew for the courtesies extended during the interview conducted on March 8, 2010. In accordance with MPEP § 713.04, Applicant is providing this Interview Summary, as well as a form PTOL-413A (attached). The Interview Summary includes the information listed in subsections (A) - (H) of MPEP § 713.04 under corresponding subsections herein.:

- (A) Exhibit. Not applicable.
- (B) Claims Discussed. The claims of record were generally discussed.
- (C) Prior Art. The art cited in the present Office Action was discussed.
- (D) Proposed Amendments. Applicant discussed proposed amendments to the claims.
- (E) Arguments. The arguments presented are those in this response.

¹ As Applicant's remarks with respect to the Examiner's rejections are sufficient to overcome these rejections, Applicant's silence as to assertions by the Examiner in the Office Action or certain requirements that may be applicable to such rejections (e.g., assertions regarding dependent claims, whether a reference constitutes prior art, whether references are legally combinable for obviousness purposes) is not a concession by Applicant that such assertions are accurate or such requirements have been met, and Applicant reserves the right to analyze and dispute such in the future.

- (F) Other Pertinent Matters. Not applicable.
- (G) Results or Outcome of Interview. No agreement reached.
- (H) Interview by Electronic Mail. Not applicable.

Rejection of Claims 50-58 under 35 U.S.C. § 101

On pages 2-3 of the Office Action, claims 50-58 stand rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. The claims are alleged as not being tied to another statutory class of subject matter and as not physically transforming the underlying subject matter. Applicant respectfully traverses this rejection.

Claim 50 recites, *inter alia*;

communicatively coupling a remote station to a user station;
providing a database at the remote station;
storing in the database ones of the gift certificate codes that have been
previously received from one or more user stations.

Applicant submits that the method recited by claim 50 is tied to a particular machine. Claim 50 provides a positive recitation of computer hardware that represents a particular apparatus, namely a “remote station” and “a user station.” Furthermore, these stations are “communicatively coupled” and the “remote station” has a “database” present. The Examiner further alleges that “the storing step is not central to the purpose of the method invented by the applicant and is insignificant extra-solution activity.” Applicant respectfully disagrees and asserts that storing is part of the embodiments of the claimed invention as recited by claim 50. Even if the Examiner’s assertion is correct, the claim still is tied to a particular machine as described above.

Claim 50 further recites, *inter alia*:

comparing each new candidate code received from a given user station
against the previously received codes stored in the database;

crediting an account of a user associated with the given user station with a non-zero gift certificate credit when such new candidate code received from the given user station was not previously stored in the database; and

Applicant submits that these steps support the transformation prong of the statutory subject matter test as delineated by the Examiner on pages 2-3 of the Office Action.

Therefore, claim 50 recites statutory subject matter and Applicant respectfully requests the withdrawal of the § 101 rejection. However, despite disagreeing with this rejection, Applicant has amended claim 50 as indicated above. Claims 51-58 depend from claim 50. Support for the amendments can be found at least on pages 17-18 of the present application. Applicant submits that this amendment overcomes the present § 101 rejection and Applicant respectfully requests the withdrawal thereof.

Rejection of Claims 61-69 under 35 U.S.C. 102(e)

Claims 61-69 stand rejected under 35 U.S.C. § 102(e) as being unpatentable over U.S. Patent No. 6,138,106 to Walker et al. (“Walker”). Applicant respectfully traverses this rejection.

It is well understood that for a proper anticipation rejection, all claim limitations must be taught or suggested by the prior art and the claim elements must be arranged or combined in the same way as recited in the claim. This baseline standard for anticipation under 35 U.S.C. § 102 was reiterated by the Federal Circuit in *Net Moneyin v. Verisign*, 88 USPQ2d 1751, 1759 (Fed. Cir. 2008), holding:

We thus hold that unless a reference discloses within the four corners of the document not only all of the limitations claimed but also all of the limitations arranged or combined in the same way as recited in the claim, it cannot be said to prove prior invention of the thing claimed and, thus, cannot anticipate under 35 U.S.C. § 102.

Furthermore, a “reference must clearly and unequivocally disclose the claimed [invention] or direct those skilled in the art to the [invention] without *any* need for picking, choosing, and

combining various disclosures not directly related to each other by the teachings of the cited reference.” *Sanofi-Synthelabo v. Apotex, Inc.*, 89 USPQ2d 1370, 1375 (Fed. Cir. 2008) (emphasis and alterations in original) (quoting *In re Arkley*, 172 USPQ 524 (CCPA 1972)).

In order to maintain an anticipatory rejection under 35 U.S.C. §102, a reference must teach each and every element of the claim. *Verdegaal Bros. v. Union Oil Co. of California*, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987) (a claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference). “The identical invention must be shown in as complete detail as is contained in the . . . claim.” MPEP § 2131 (quoting *Richardson v. Suzuki Motor Co.*, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989)).

Walker Fails to Anticipate Independent Claim 61

Independent claim 61 recites, *inter alia*, “wherein further the user can transfer value from the at least one account associated with the user to at least one account belonging to a second user.” Applicant submits that Walker fails to disclose this element. The Examiner alleges that Walker, at col. 11, lines 15-26, discloses the above element. Walker, in this cited section, discloses:

Such small amounts of change may be processed in one of many ways, including for pre-paid accounts: returning the change to the buyer via his credit card account, offering the change to the redeemer of the gift certificate code through a direct refund or some type of appropriate credit, or keeping the change by the gift certificate issuer as part of the price of the certificate to the buyer. If large corporations were to pre-pay for many gift certificates for use by employees, the resulting change from the many certificates may be accumulated by the central controller, and subsequently credited back to the corporate buyer.

The Examiner has explained the reasoning regarding this rejection on page 17 of the Office Action, stating that:

the Examiner interpreted “transfer value from the at least one account associated with the user to at least one account belonging to a second user” as to as returning or refunding charge to the buyer credit card account from the seller account.

Applicant submits that the Examiner has misapplied Walker’s disclosure to the above claim element. Walker may disclose that the gift certificate seller may provide a credit back to a buyer via a credit card as noted above. However, the claim recites “at least one account, associated with *a user*,” and “wherein further *the user* can transfer value from the at least one account associated with the user to at least one account belonging to *a second user*.” (emphasis added). Applicant respectfully submits that Walker’s seller is not the user as claimed. Walker’s seller provides the gift certificates and Walker’s buyer’s receives the gift certificates. The Examiner is failing to consider the entire disclosure of Walker in view of the embodiments of the claimed invention. Hence, Walker fails to anticipate this claim element by failing to disclose each and every element of the claimed arranged as in the claim.

Applicant has amended claim 61 as indicated above to clarify the user’s.

Therefore, in view of the preceding remarks, the Examiner has failed to present a *prima facie* case of anticipation for at least independent claim 61. Applicant respectfully requests the withdrawal of the anticipation rejection of claim 61.

Dependent Claims 62-69 Are Allowable

Claims 62-69 are dependent on claim 61. As such, these claims include all of the limitations of claim 61. As such, these claims are allowable for at least the reasons discussed above with respect to independent claim 61. Additionally, these claims recite additional features which are neither taught nor disclosed by Walker. For at least these reasons, Applicant respectfully requests the withdrawal of the anticipation rejection of claims 62-69.

Applicant further notes that on page 5 of the Office Action, the Examiner alleges that “[w]ith respect to claims 62 and 63, Walker in view of Humble teaches all elements of claim 61.” This is a 103 rejection language. In the previous section, the Examiner had alleged that Walker anticipated claim 61 and now the Examiner alleges that Walker in view of Humble teaches all the elements. Applicant requests that the Examiner clarify the basis of rejection for at least claim 61.

Rejection of Claims 1-17, 24-25, 28-38, 44-50, and 54-60 under 35 U.S.C. 103(a)

Claims 1-17, 24-25, 28-38, 44-50, and 54-60 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Walker in view of U.S. Patent No. 4,949,256 to Humble (“Humble”). Applicant respectfully traverses these rejections.

Under 35 U.S.C. § 103, the Patent Office bears the burden of establishing a prima facie case of obviousness. In re Fine, 837 F.2d 1071, 1074 (Fed. Cir. 1988). There are four separate factual inquiries to consider in making an obviousness determination: (1) the scope and content of the prior art; (2) the level of ordinary skill in the field of the invention; (3) the differences between the claimed invention and the prior art; and (4) the existence of any objective evidence, or “secondary considerations,” of non-obviousness. Graham v. John Deere Co., 383 U.S. 1, 17-18 (1966); see also KSR Int’l Co. v. Teleflex Inc., 127 S. Ct. 1727 (2007). An “expansive and flexible approach” should be applied when determining obviousness based on a combination of prior art references. KSR, 127 S. Ct. at 1739. However, a claimed invention combining multiple known elements is not rendered obvious simply because each element was known independently in the prior art. Id. at 1741. Rather, there must still be some “reason that would have prompted” a person of ordinary skill in the art to combine the elements in the specific way that he or she did. Id. Also, modification of a prior art reference may be obvious only if there exists a reason

that would have prompted a person of ordinary skill to make the change. KSR, 127 S. Ct. at 1740-41.

Independent Claim 1 is Patentable over Walker in view of Humble

Independent claim 1 recites, *inter alia*, “wherein each one of each group bears a code that uniquely identifies each one in the group and each one in the group is substantially identical in type.” Applicant respectfully submits that Walker, either alone or in combination, fails to disclose the recited element.

The Examiner alleges, on pages 6-7 of the Office Action

wherein each product of the group bears a code that uniquely identifies each product in the group (Col. 2, lines 60-67, teaches a plurality of product codes for identifying products and each of the product prices corresponding to one of the product codes) and each product of the group is substantially identical type (Col. 6, lines 7-10, which teaches gift certificate codes, where “gift certificate” is substantially identical type). (emphasis in original omitted).

To clarify Walker’s disclosure, Walker discloses

In another embodiment of the present invention, there is provided a method and apparatus for processing a gift certificate having a concealed value, the apparatus including a processor, and a memory connected to the processor. In this embodiment, the memory stores a plurality of product codes for identifying products, and a plurality of product prices, each of the product prices corresponding to one of the product codes. The processor is operative to determine an initial value at least equal to the concealed value of the gift certificate, and to select from the plurality of product prices a first subset of product prices equal to or less than the initial value. The processor is further operative to select from the plurality of product codes a first subset of product codes corresponding to the first subset of product prices, and to receive data identifying a first product code from the first subset of product codes. The processor further operates to reduce the initial value by the product price of the first product code to provide a first adjusted value, select from the plurality of product prices a second subset of product prices of equal or less value than the first adjusted value, and select from the plurality of product codes a second subset

of product codes corresponding to the second subset of product prices. Col. 2, line 60 - col. 3, line 15.

Walker also discloses:

Turning now to FIG. 6, order database 32 is seen to include three records, 90A, 90B, 90C, each including seven fields: an order number field 92, a gift certificate code field 94, three item code fields 96, 98, 100, a shipping name field 102 and a shipping address field 104. Order database 32 is used to track data relating to orders of goods by redeemers of gift certificates. Order number 92 is an index number assigned as each record is created. Gift certificate codes 94 correspond to those codes in field 72 of gift certificate code database 30. Col. 6, lines 1-10.

Applicant asserts that the Examiner is mixing Walker's codes in this rejection. Walker, as disclosed in the above passages, Walker has a product code and a gift certificate code - each represents something different. The Examiner is improperly combining both of these codes in the present rejection. Walker fails to disclose that *each one in the group is substantially identical in type* as recited in claim 1.

Even if the gift certificate code is applied to both elements, Walker still fails to render this element obvious since, if this code is applied against the aforementioned element of claim 1, then Walker fails to disclose the remaining elements of claim 1.

Claim 1, as amended, recites, *inter alia*:

the database server configured to issue a credit certificate to the user account upon a pre-set value of non-zero valuation credits being accumulated in the user account, wherein the credit certificate is usable as a coupon, rebate, or refund by the user and the user is notified of the pre-set value being accumulated

Support for this amendment may be found at least in ¶ [0056] of the present published application. Applicant submits that Walker fails to disclose this element. Walker discloses;

It will be appreciated that, unless the value of the product selected by the redeemer matches exactly the value of the gift certificate code, an unlikely situation, there may be small amounts of excess code value, or change. Such small amounts of change may be processed in one of many ways, including for pre-paid accounts: returning the change to the buyer via his credit card account, offering the change to the redeemer of the gift certificate code through a direct refund or

some type of appropriate credit, or keeping the change by the gift certificate issuer as part of the price of the certificate to the buyer. If large corporations were to pre-pay for many gift certificates for use by employees, the resulting change from the many certificates may be accumulated by the central controller, and subsequently credited back to the corporate buyer. Where gift certificate codes are post-paid, the system operator may choose to charge only the true price of the selected gift(s) to the buyer, rather than the advertised price of the gift certificate code. Col. 11, lines 11-29

Of note, Walker's refund mechanism is not based on a *pre-set value of non-zero valuation credits being accumulated in the user account* as recited in claim 1. Walker merely uses *excess code value, or change* and returns the change to either the buyer or the redeemer. The change is based on what is left following the purchase(s) made by the redeemer of Walker, so there is no pre-set value that would trigger the issuing of a *credit certificate* as recited by claim 1. Further, Walker fails to disclose any notification to the user as recited in the preceding claim element.

Humble Fails to Cure Walker's Deficiencies

The addition of Humble fails to cure the deficiencies of Walker. Humble discloses a "coupon validation network." See Abstract. While Humble discloses databases to store coupon information, see, e.g., col. 5, lines 6-17, Humble fails to disclose any arrangement of the database. Humble discloses that customer are able "to query their coupon accounts and to obtain special shopping lists." Col. 7, lines 37-39. Humble discloses that "[t]he list might be arranged by product category." Col. 7, lines 39-40. However, Humble fails to disclose that *each one of the group is substantially identical in type*.

The Combination of Walker and Humble is Improper

Applicant respectfully submits that one of ordinary skill in the art would not combine Humble with Walker as alleged. To combine these references as alleged in the Office Action would require substantial modifications to Walker and would also render Walker unsuitable for its original purpose in violation of basic obviousness principals.

On page 7 of the Office Action, the Examiner alleges that

Walker teaches all the above elements except comparing each new candidate code received from a given user station against the previously received codes stored in the database, crediting an account of a user associated with the given user station with a non-zero promotional credit when such new candidate code received from the given user station was not previously stored in the database and storing each new candidate code in the database as a previously received code if such new candidate code was not previously stored in the database.

The Examiner then concludes on page 8 of the Office Action that

it would have been obvious to the one ordinary skills [*sic*] in the art at the time of the invention was made to add coupon validation network as taught by Humble in the system of Walker in order to validate coupon automatically for later redemption credit.

The above statement shows that the combination is improper. As noted above, Humble discloses a coupon validation network and Walker discloses “[a] system and process for redeeming concealed value gift certificates with concealed value products. The gift certificates, purchasable by a buyer, represent a value stored in a database and concealed from the subsequent recipient/redeemer.” Walker Abstract. As such, one of ordinary skill in the art would not be prompted to combine Humble with Walker in the manner alleged. Walker does not use coupons as disclosed by Humble. There is no motivation to add or modify Walker to *validate coupon automatically for later redemption credit* as alleged by the Examiner and the Examiner is merely using hindsight to arrive at the present rejection.

Even under the present obviousness standard as articulated in KSR Int’l Co. v. Teleflex Inc., 127 S. Ct. 1727 (2007), hindsight must be guarded against:

A factfinder should be aware, of course, of the distortion caused by hindsight bias and must be cautious of arguments reliant upon *ex post* reasoning. See Graham, 383 U.S., at 36, 86 S.Ct. 684 (warning against a “temptation to read into the prior art the teachings of the invention in issue” and instructing courts to “guard against slipping into the use of hindsight” (quoting Monroe Auto Equipment Co. v. Heckethorn Mfg. & Supply Co., 332 F.2d 406, 412 (C.A.6 1964))).

KSR, 127 S.Ct. at 1742. KSR further holds that “[a]lthough common sense directs one to look with care at a patent application that claims as innovation the combination of two known devices according to their established functions, it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does.” *Id.* at 1741.

KSR abandoned the rigid teaching, suggestion, or motivation test (“TSM”) in favor of a more flexible approach. *Id.* However, “[o]ne of the ways in which a patent’s subject matter can be proved obvious is by noting that there existed at the time of invention a known problem for which there was an obvious solution encompassed by the patent’s claims.” *Id.* at 1742. Here, the Office has failed to prove that such a known problem existed for which Applicant’s claims provide an obvious solution.

Applicant respectfully submits that the Examiner has failed to present a *prima facie* case of obviousness and that the obviousness rejection of claim 1 be withdrawn.

Rejected claims 2-17 and 24 depend from independent claim 1 and thus incorporate the elements of independent claim 1, and are allowable for at least the reasons set forth above. Moreover, these claims recite additional features that are not disclosed or suggested by the cited reference.

Independent claims 25, 44, and 59, although differing in scope, recite similar elements to independent claim 1, and are therefore allowable for at least the reasons given for independent claim 1 above. Furthermore, claims 25, 44, and 59 have been amended in a similar manner to independent claim 1.

Regarding independent claims 50 and 60, these claims recite, *inter alia*, “a group of gift certificates, each of which bears a unique code and the group comprises an identical group of gift

certificates issued by a particular provider.” Walker fails to disclose this element and the Examiner fails to assert as much. Walker’s gift certifications are not *an identical group* as recited. As shown in Figure 5 of Walker, the gift certificates differ in various aspects, such as expiration date and payment type, and are issued by different providers. *See* element 82, Seller ID of Figure 5. Therefore, Walker fails to disclose this element.

Dependent claims 28-38, 44-49, and 54-58 depend from one of independent claims 25, 44, and 50, and thus incorporate all the elements of the respective independent claims and are therefore allowable for at least the reasons set forth above.

Rejection of Claims 18-22, 26-27, 39-42, and 51-53 under 35 U.S.C. 103(a)

Claims 18-22, 26-27, 39-42, and 51-53 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Walker in view of Humble and in further view of Official Notice. Applicant respectfully traverses these rejections.

Claims 18-22, 26-27, 39-42, and 51-53 are dependent upon at one of independent claims 1, 25, 44, and 50, and thus inherently incorporate all of the limitations of the independent claims. Also, the secondary references (i.e., Humble and Official Notice) fail to disclose, or even suggest, the deficiencies of the primary reference as discussed above with respect to independent claims 1, 25, 44, and 50. Accordingly, claims 18-22, 26-27, 39-42, and 51-53 are allowable over the combination of the secondary references with the primary reference at least by virtue of their dependency on one of independent claims 1, 25, 44, and 50.

The Examiner alleges that it is old and well known to “have code reader for tracking asset and inventory.” Office Action, p. 13 Applicant traverses the Official Notice and respectfully submits that the Official Notice is improper.

Applicant respectfully submits that the metes and bounds of the Official Notice is unclear. On this basis alone, the Official Notice is improper and must be withdrawn. “If Official Notice Is Taken of a Fact, Unsupported by Documentary Evidence, the Technical Line of Reasoning Underlying a Decision To Take Such Notice Must Be Clear and Unmistakable” MPEP § 2144.03(B). Here, the technical line of reasoning underlying the Examiner’s usage of Official Notice is absent to the extent that Applicant cannot ascertain the scope of what has been noticed.

Furthermore, the context of the Examiner’s assertion is entirely unclear. That is, the Examiner has not specified in what context the limitations at issue were allegedly well-known. For example, the Office Action does not state the prior art system, method, or forum in which the officially-noticed facts would be found, merely that “it’s old and well known in the art to have code reader for tracking asset and inventory.” Office Action, p. 13.

The Office Action fails to state a single concrete example in which the use of a “code reader for tracking asset and inventory” is known. As such, the context of the allegation is entirely absent such that Applicant are unable to traverse whether the noticed facts are alleged to have occurred in an analogous setting. Without the scope of the Examiner’s allegation being clear, the Official Notice is improper.

“The examiner must provide specific factual findings predicated on sound technical and scientific reasoning to support his or her conclusion of common knowledge. *The applicant should be presented with the explicit basis on which the examiner regards the matter as subject to official notice* so as to adequately traverse the rejection in the next reply after the Office action in which the common knowledge statement was made.” MPEP § 2144.03(B) (citations omitted; emphasis added). Moreover, Applicant cannot adequately traverse the purported combination of

the prior art patent and the official notice, at least because the scope and context of the Official Notice is unclear. Accordingly, the usage of Official Notice is improper and must be withdrawn.

Furthermore, the facts alleged above are not capable of instant and unquestioning verification. Regarding the allegation above, the lack of explanation as how and in what context that the “code reader for tracking asset and inventory” was known prevent a verification of the allegation. That is, the extremely broad scope of the allegation prevents a determination of its truthfulness from being performed.

“Official notice unsupported by documentary evidence should only be taken by the examiner where the facts asserted to be well-known, or to be common knowledge in the art are *capable of instant and unquestionable demonstration as being well-known*. [T]he notice of facts beyond the record which may be taken by the examiner must be capable of such instant and unquestionable demonstration as to defy dispute.” MPEP § 2144.03(A) (citations and quotations omitted; emphasis added). Because the officially noticed facts are not beyond dispute, the usage of official notice is improper and must be withdrawn. Applicant respectfully requests that the Examiner clarify the Official Notice and present documentary evidence thereof or withdraw the Official Notice.

Rejection of Claims 23 and 43 under 35 U.S.C. 103(a)

Claims 23 and 43 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Walker in view of Humble and in further view of U.S. Patent No. 6,321,211 to Dodd (“Dodd”). Applicant respectfully traverses these rejections.

Claims 23 and 43 are dependent upon independent claims 1 and 25, respectively, and thus inherently incorporate all of the limitations of the independent claims. Also, the secondary references (i.e., Humble and Dodd) fail to disclose, or even suggest, the deficiencies of the

primary reference as discussed above with respect to independent claims 1 and 25. Accordingly, claims 23 and 43 are allowable over the combination of the secondary references with the primary reference at least by virtue of their dependency on independent claims 1 and 25.

CONCLUSION

In view of the foregoing amendments and arguments, it is respectfully submitted that this application is now in condition for allowance. If the Examiner believes that prosecution and allowance of the application will be expedited through an interview, whether personal or telephonic, the Examiner is invited to telephone the undersigned with any suggestions leading to the favorable disposition of the application.

It is believed that no fees are due for filing this Amendment. However, the Director is hereby authorized to treat any current or future reply, requiring a petition for an extension of time for its timely submission as incorporating a petition for extension of time for the appropriate length of time. Applicant also authorizes the Director to charge all required fees, fees under 37 C.F.R. §1.17, and all required extension of time fees, to the undersigned's Deposit Account No. 50-0206.

Respectfully submitted,

Date:

3/18/10



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